

Abstract

Systems and methods are provided for processing transactions, and more specifically for receiving, processing and transmitting electronic payment transaction information. The system and method accesses a transaction software engine that

5 effectuates the authorization of electronic payment requests and the settlement of authorized electronic payments. The transaction software engine, in accordance with an embodiment of the invention, resides at a merchant's site and more specifically within the merchant's server or computer which is in communication with one or more network terminals. With such a system, authorization requests may be sent by a terminal as each

10 transaction occurs. Batches of settlement requests are processed after a predetermined time, although the transactions are processed on a transaction-by-transaction basis. In addition, the software engine enables the transmission of data over the Internet. As a result, the amount of time to process payment authorization and settlement is reduced as compared with the exclusive use of traditional telephone lines. Moreover, the transaction

15 software engine is capable of accepting data of varying formats and re-encoding such data so that it can be processed by the transaction software engine. As a result, the transaction software engine can process data that is received from and sent to a variety of terminals as well as data that is sent to and received from a variety of data transaction providers host.